

Agency:	107 Health Care Authority
Decision Package Code/Title:	PL-EI Increase IGT - School Based Medicaid
Budget Period:	2012 Supplemental
Budget Level:	PL - Performance Level

Fiscal Detail/Objects of Expenditure

	FY 2012	FY 2013	Total
1. Operating Expenditures:			
Fund 001-1 General Fund State	\$ (1,939,000)	\$ (3,979,000)	\$ (5,918,000)
Fund 001-2 GF-Federal - Basic	\$ -	\$ -	\$ -
Fund 001-C GF-Federal - Medicaid	\$ -	\$ -	\$ -
Fund 001-7 GF-Private/Local	\$ 1,939,000	\$ 3,979,000	\$ 5,918,000
Fund 418-1 HCA Admin Account	\$ -	\$ -	\$ -
Total	\$ -	\$ -	\$ -
2. Staffing:			
Total FTEs	-	-	-
3. Objects of Expenditure:			
A - Salaries And Wages	\$ -	\$ -	\$ -
B - Employee Benefits	\$ -	\$ -	\$ -
C - Personal Service Contracts	\$ -	\$ -	\$ -
E - Goods And Services	\$ -	\$ -	\$ -
G - Travel	\$ -	\$ -	\$ -
J - Capital Outlays	\$ -	\$ -	\$ -
N - Grants, Benefits & Client Services	\$ -	\$ -	\$ -
Other (specify) -	\$ -	\$ -	\$ -
Total	\$ -	\$ -	\$ -
4. Revenue:			
Fund 001-2 GF-Federal - Basic	\$ -	\$ -	\$ -
Fund 001-C GF-Federal - Medicaid	\$ -	\$ -	\$ -
Fund 001-7 GF-Private/Local	\$ 1,939,000	\$ 3,979,000	\$ 5,918,000
Fund 418-1 HCA Admin Account	\$ -	\$ -	\$ -
Total	\$ 1,939,000	\$ 3,979,000	\$ 5,918,000

Recommendation Summary Text

Heath Care Authority (HCA) requests a funds shift that would eliminate all state level funding for school based medical, while allowing the local districts to provide the matching funds needed for Medicaid reimbursement through inter-governmental transfers (IGTs) in the 2012 Supplemental effective January 1, 2012. This will result in zero fiscal impact overall, and a reduction of -\$5,918,000 (GF- State). This submittal is in response to the request for a ten percent across-the-board reduction plan.

Agency:	107 Health Care Authority
Decision Package Code/Title:	PL-EI Increase IGT - School Based Medicaid
Budget Period:	2012 Supplemental
Budget Level:	PL - Performance Level

Package Description

The purpose of the School Based Healthcare Services Program is to reimburse school districts for providing covered healthcare services that are necessary for disabled children to benefit from their education. The services include speech therapy, occupational therapy, audiology, physical therapy, psychological assessments (to determine the child's need for special education), nursing services, and counseling services.

Currently, Washington State provides forty percent and school districts provide sixty percent of the required non-federal matching funds for therapies and other qualified medical services for School Based healthcare services. The agency proposes that local school districts to provide 100% of the non-federal matching funds effective January 1st, 2012 as opposed to elimination of the program.

Questions related to the fiscal portion of this decision package should be directed to Rachel Arnold at (360) 725-1030 or rachel.arnold@hca.wa.gov.

Questions related to the programmatic portion of this package should be directed to Todd Slettvet at (360) 725-1626 or todd.slettvet@hca.wa.gov.

Narrative Justification and Impact Statement

This proposal is intended to meet the Governor's request for agencies to submit plans for 10 percent reductions as a result of expected revenue shortfall for the 2011-13 Biennium.

What specific performance outcomes does the agency expect?

This reduction package identifies savings in response to instructions provided by the Office of Financial Management (OFM) for the 2012 Supplemental Budget.

Performance Measure Detail

Activity:	H056	Mandatory Medicaid Program for Children and Families
Activity:	H057	Medicaid for Optional Children
Activity:	H060	Medical Care for General Assistance Unemployable and ADATSA
Activity:	H089	SCHIP

Is this decision package essential to implement a strategy identified in the agency's strategic plan?

Yes. This package will assist the agency in meeting the targeted reductions as identified by OFM.

Does this decision package provide essential support to one of the Governor's priorities?

Yes. This package assists the agency in implementing changes to meet the reduction targets identified by OFM as part of the 2012 Supplemental Budget and keeping the state's budget balanced.

Does this decision package make key contributions to statewide results? Would it rate as a high priority in the Priorities of Government (POG) process?

Yes. This package assists the agency in implementing changes to meet the reduction targets identified by OFM as part of the 2012 Supplemental Budget.

Agency:	107 Health Care Authority
Decision Package Code/Title:	PL-EI Increase IGT - School Based Medicaid
Budget Period:	2012 Supplemental
Budget Level:	PL - Performance Level

What are the other important connections or impacts related to this proposal?

Eliminating state match funding will shift significant costs onto the local school districts.

What alternatives were explored by the agency, and why was this alternative chosen?

None, as this is a state only program, which will achieve the highest amount of general fund state savings towards the Governor's 5% and 10% budget reduction targets.

What are the consequences of not funding this package?

The agency will not be able to meet its budget reduction targets.

What is the relationship, if any, to the state capital budget?

None.

What changes would be required to existing statutes, rules, or contracts, in order to implement the change?

None.

Expenditure and revenue calculations and assumptions.

Revenue Calculations and Assumptions:

Expenditure Calculations and Assumptions:

Which costs and functions are one-time? Which are ongoing? What are the budget impacts in future biennia?

These changes in funding are ongoing and will carry forward into future biennia.

Distinction between one-time and ongoing costs:

These changes in funding are ongoing and will carry forward into future biennia.

Budget impacts in future biennia:

These changes in funding are ongoing and will carry forward into future biennia.

Agency:	107 Health Care Authority
Decision Package Code/Title:	PL-EI Increase IGT - School Based Medicaid
Budget Period:	2012 Supplemental
Budget Level:	PL - Performance Level

2012 Supplemental Budget				
Shifting school based medical service to 100% IGT				
1) Current budget				
PACKET	G88	School Based Medical Budget from 11-13 Bien enacted budget non admin budget units		
BU-FND	(Multiple Items)			
TYPE	EXP			
	APPN			
	HF1	HF2	Total FY1 funds shift	Total FY2 funds shift
	Sum of FY1(Jan-Jun)	Sum of FY2		
SPROG	State	State		
H1215	365,969	753,000	365,969	753,000
H1255	558,179	1,135,000	558,179	1,135,000
H1265	990,049	2,040,000	990,049	2,040,000
H1865	13,900	29,000	13,900	29,000
H1965	15,379	31,000	15,379	31,000
H1974	1,948	4,000	1,948	4,000
H1994	8,820	18,000	8,820	18,000
Grand Total	1,954,244	4,010,000	1,954,244	4,010,000
2) We need to keep the funding for school based CHP population in state funds because				
Otherwise we will cut these funds twice when the agency eliminate the CHP program.				
	APPN			
	HF1	HF2	Total Sum of FY1(1/2)	Total Sum of FY2
	Sum of FY1(Jan-Jun)	Sum of FY2		
SPROG	State	State		
H1215	366,000	753,000	366,000	753,000
H1255	558,000	1,135,000	558,000	1,135,000
H1265	990,000	2,040,000	990,000	2,040,000
H1865	14,000	29,000	14,000	29,000
H1965			-	-
H1974	2,000	4,000	2,000	4,000
H1994	9,000	18,000	9,000	18,000
Grand Total	1,939,000	3,979,000	1,939,000	3,979,000